Strategic Directions

Strategic Policy Committee

Ontario

Ministry of Transportation and Communications

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Office of the Deputy Minister

March 28, 1984

With pleasure, I introduce the eighth annual edition of MTC's strategic directions. This document, which outlines the long-term priorities and direction of the ministry, represents the culmination of a year long planning process. This process involved a great deal of effort by staff from all program areas and included analysis of external outlooks, assessment of current position and prospects, identification of emerging issues and development of appropriate strategic directions. I am very proud of the strategic management approach at MTC which continues to ensure that the ministry's policies and programs are forward looking and remain responsive to a changing environment.

Once again this year, we have outlined in Part I, the fundamental management philosophy and process of the ministry, within the Ontario government, including its mandate, mission and objectives; principles; structure; and planning process. This provides background and context to the long-term strategic directions outlined in Part II.

You will notice a few changes made in this annual document. The new title, "Strategic Directions 1984", reflects the year in which the directions are determined, yet emphasizes the forward looking nature of our activities. The removal of the five-year time frame from the cover of the report is not intended to imply a one-year planning horizon for the ministry. Action on some of the strategic directions may begin almost immediately, while others are longer term goals that fall beyond the normal five-year planning period.

Employees can take pride in the fact that the transportation and communications services and facilities in Ontario are second to none. This report provides an outline of the future priorities of the ministry which are intended to ensure that a high level of service to the public is maintained to support the continued economic and social health of the Province. I encourage anyone from outside the ministry who is involved with or interested in transportation and communications in Ontario to read this report. I especially encourage MTC staff to read this document and discuss it with your supervisors so as to gain a better understanding of the relationships of the directions to your activities.

I welcome your comments and feedback on the contents of this report.

Harold Gilbert
Deputy Minister

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PART I

MANAGEMENT PHILOSOPHY AND PROCESS

The Ministry

The Ministry of Transportation and Communications (MTC) consists of about 9,000 individuals having diverse backgrounds, cultures and lifestyles, and located in all geographic areas of the province. These people are the strength of the ministry. As users themselves of transportation and communications services, ministry staff help ensure that all areas are treated equitably and that ministry programs and activities meet Ontario's needs.

MTC is primarily a service organization. Prior to 1975, the ministry had an operational focus, concentrating its efforts largely on the development of the road and highway network, the licensing of drivers and vehicles, and the provision of commuter, transit, air and communications services. MTC has now evolved into an organization which addresses the total transportation and communications needs of Ontario, through a comprehensive policy development and planning process.

The mobility of people, goods and information is a basic component of the standard of living enjoyed by Ontario residents. To promote mobility, MTC carries out direct program delivery activities and funds municipal activities related to roads and transit through subsidy transfer payments. The ministry also influences the policies of other jurisdictions with responsibilities for transportation and communications. Examples of influence programs are found in the Air, Rail and Marine Offices and activities of the Communications Division.

International trade is very important to the economic health of Canada and Ontario. Recently, major foreign contracts have been signed by the Urban Transportation Development Corporation (UTDC) and discussions are proceeding at the international level with regard to utilizing MTC's transportation planning and management expertise. MTC has an important role to play in government-to-government relations and as a link between private corporations in Ontario and other countries.

The ministry utilizes the private contracting industry to implement the highway construction program. The ministry also assists specific client groups such as the shippers and carriers involved in goods distribution, the automotive, intercity bus and telecommunications industries, and all parties involved with the provision of air, rail, marine and public transit services. MTC initiatives with the private sector include participation on government/industry councils and provision of a single point of contact for client industries in their dealings with the provincial government.

MTC strives to maintain a good relationship with the public through effective, two-way communications and a sensitivity to changing attitudes, values and needs. At every stage of program development MTC provides information, and public input is sought and considered. This is obtained through direct public participation activities, dialogue with municipal officials and input by elected representatives in the Ontario Government.

Mandate and Mission

THE MANDATE

The mandate statement (below) defines the specific areas of responsibility which the Government of Ontario has assigned to MTC.

> **TO BE THE PROVINCIAL PRESENCE IN TRANSPORTATION AND COMMUNICATIONS, PROVIDE THE FOCAL POINT FOR THE IDENTIFICATION OF THE TRANSPORTATION AND COMMUNICATIONS NEEDS OF THE PEOPLE OF ONTARIO, AND SATISFY THEM THROUGH THE USE OF ROAD, RAIL, TRANSIT, AIR, WATER, PIPELINE AND COMMUNICATIONS SYSTEMS AND SERVICES IN ACCORDANCE WITH THE PREVAILING OBJECTIVES OF THE GOVERNMENT OF ONTARIO.**

The mandate statement is a distillation of the broad directions given to MTC in the Speech from the Throne of March 30, 1971, which included:

> "...DEVELOP AND EMPLOY WAYS TO MOVE LARGE NUMBERS OF PEOPLE AND GOODS AND STIMULATE THE ECONOMIC GROWTH OF THE PROVINCE...
>
> "...CREATE FUNCTIONAL, INTEGRATED AND BALANCED TRANSPORTATION SYSTEMS...
>
> "...INTEGRATE ROAD, RAIL, AIR AND WATER SERVICES THROUGHOUT THE PROVINCE...
>
> "...GIVE SPECIAL EMPHASIS TO THE TOTAL TRANSPORTATION SYSTEMS OF THE LARGER CITIES AND THEIR SURROUNDING COMMUTER AREAS...
>
> "...DEVELOP A TELECOMMUNICATIONS POLICY FOR ONTARIO WHICH WILL ENSURE THAT THE INTERESTS OF THE PEOPLE ARE FULLY REPRESENTED."

THE MISSION

The mission is a declaration by the ministry of the action required to fulfill its mandate. The following statement is MTC's interpretation of its corporate mission.

> **TO ACHIEVE MOBILITY OF PEOPLE, GOODS AND INFORMATION IN ONTARIO BY ASSURING ACCESS TO TRANSPORTATION AND COMMUNICATIONS SYSTEMS AND SERVICES WHICH CONTRIBUTE TO ECONOMIC GROWTH AND ARE SAFE, DEPENDABLE, EFFECTIVE, EFFICIENT, AND ENVIRONMENTALLY ACCEPTABLE.**

The primary focus is on mobility as the basic rationale for MTC's programs. All ministry activities, in both transportation and communications, relate to enhancing, channelling or controlling the movement of people, goods and information.

The second focus is on activities MTC undertakes to contribute to the economic growth and well-being of the province.

Objectives

Five objectives have been defined to address MTC's mission and to establish the boundaries within which MTC programs are to be conducted.

1. ***TO ENSURE THAT A REASONABLE CHOICE OF TRANSPORTATION AND COMMUNICATIONS SERVICES EXISTS FOR THE MOBILITY OF PEOPLE, GOODS AND INFORMATION, WITHIN ONTARIO AND BETWEEN ONTARIO AND OTHER JURISDICTIONS.***

Mobility requires the provision of transportation and communications networks as well as reasonable access and choice of services for the people of Ontario. MTC facilitates coordination among the various modes and services to achieve integrated transportation and communications systems in Ontario, while recognizing the need for healthy competition among the providers of such services.

Transportation and communications services are basic to the social, cultural and economic well-being of the province. These services should be available to all communities and residents, with due consideration of the practical limitations facing the government and the private sector.

2. ***TO PRESERVE THE PUBLIC AND PRIVATE TRANSPORTATION AND COMMUNICATIONS SYSTEMS ESSENTIAL TO ONTARIO, NOW AND FOR THE FUTURE.***

Major public and private investments have been made for transportation and communications services and facilities throughout the province. It is in the public interest that these existing infrastructure and services not be allowed to deteriorate. Therefore, preservation of existing facilities and services is a major priority. However, MTC also recognizes the need to retain flexibility to upgrade facilities and services that support community and resource development which are also of vital importance to the economic well-being of Ontario.

3. ***TO PROMOTE SAFETY, EFFECTIVENESS, EFFICIENCY, ENVIRONMENTAL ACCEPTABILITY AND ENERGY CONSERVATION IN ALL MODES OF TRANSPORTATION AND COMMUNICATIONS SERVICES OPERATING IN THE PROVINCE.***

The above are all desirable characteristics of transportation and communications services. Highway safety is MTC's direct responsibility and the ministry coordinates government programs in this area. Effectiveness and efficiency produce dependable services at reasonable cost. Energy conservation and substitution are important given transportation's reliance on petroleum-based energy.

4. ***TO CONTRIBUTE TO ECONOMIC GROWTH WITHIN ONTARIO AND CANADA BY IDENTIFYING AND RESPONDING TO OPPORTUNITIES IN THE AREAS OF TRANSPORTATION AND COMMUNICATIONS SERVICES.***

The services provided through MTC enable the systems' users to achieve the mobility of people, goods and information necessary for a strong economy within Ontario and Canada. The products and services supplied by the ministry establish the foundation upon which the private sector can create opportunities for increased investment and long-term job creation.

Development of MTC programs includes an awareness of the industrial environment and the development and promotion of opportunities which advance Canadian technology. MTC works with client industries to influence productivity improvements and actively encourages firms to take advantage of foreign trade opportunities.

The ministry also cooperates with agencies such as UTDC, the Ontario International Corporation, the IDEA Corporation, the Ontario Economic Council, the Board of Industrial Leadership and Development, federal departments and agencies, to promote economic growth in Ontario.

5. ***TO MAINTAIN EFFECTIVE TWO-WAY COMMUNICATIONS WITH THE PUBLIC AND TO ENSURE THAT THE TRANSPORTATION AND COMMUNICATIONS EXPECTATIONS AND ASPIRATIONS OF VARIOUS SEGMENTS OF ONTARIO SOCIETY ARE IDENTIFIED AND RECONCILED WITHIN THE FRAMEWORK OF GOVERNMENT POLICIES AND PROGRAMS.***

MTC has the responsibility of ensuring that the wishes of the people of Ontario, as expressed through the provincial government, are included in the development of MTC's comprehensive policies, systems and services. Furthermore, MTC has the responsibility to be sensitive to the changing environment in developing its policies and programs and to articulate clearly the provincial interests in all transportation and communications issues.

Principles

MANAGEMENT PRINCIPLES

The objective of MTC's management principles is to ensure that MTC properly discharges its duties as custodian of the public's trust. Many of these responsibilities were dealt with in the previous section. However, several elements are worthy of further mention here.

MTC staff must adhere to the highest standards of conduct and integrity, and accept accountability for their actions. On a more specific note, MTC staff must contribute to government decision-making by ensuring that all opportunities, threats, strengths and weaknesses in their areas of responsibility are identified and placed before the government, regardless of which level of government has the specific jurisdictional responsibility.

MTC staff must also cooperate with other ministries, governments and the private sector to achieve effectiveness in the total transportation and communications systems.

Finally, to maintain a strong, lean, results-oriented ministry, all activities must be conducted in a manner which is effective, efficient and economical. Thus, the skills and resources available at MTC must be fully utilized to increase internal productivity and to benefit client groups.

HUMAN RESOURCE PRINCIPLES

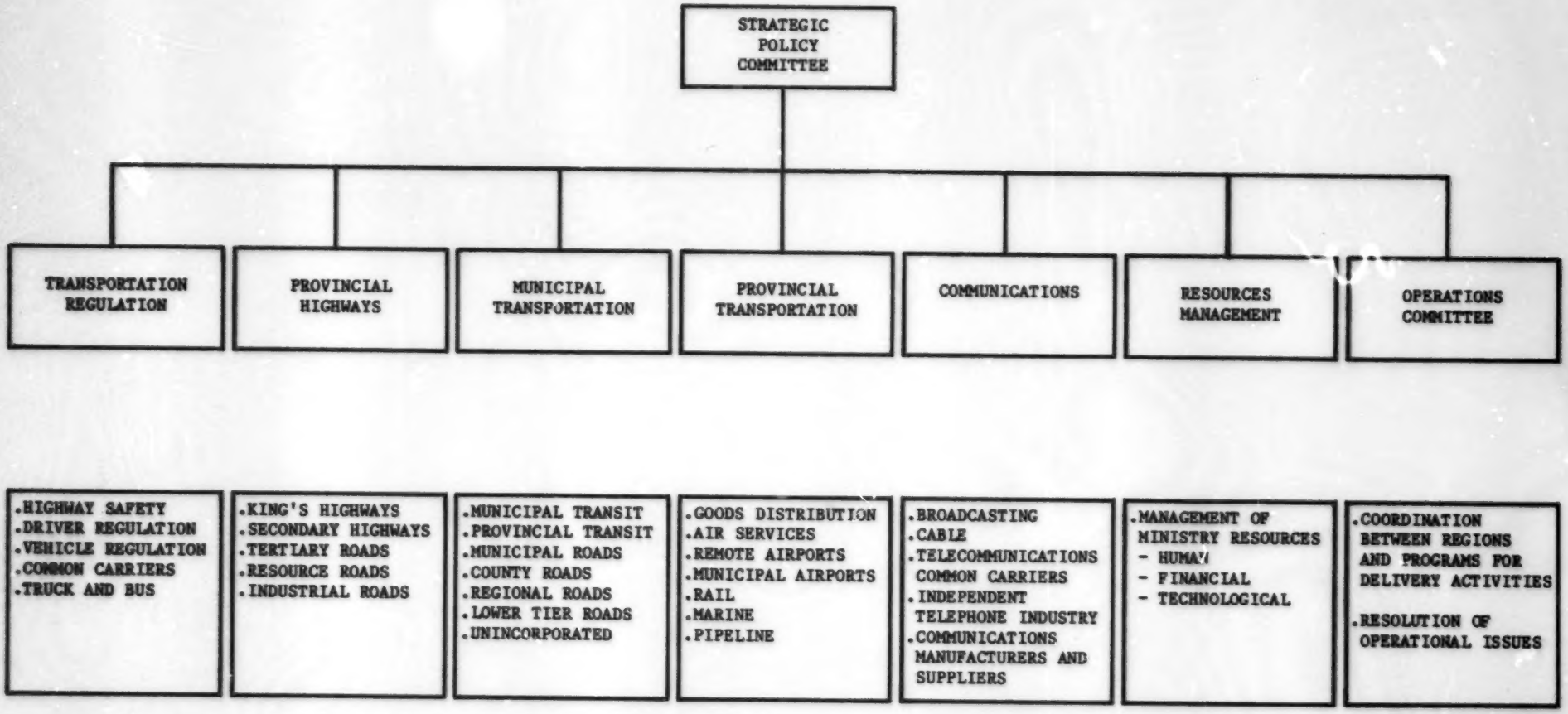
The objective of MTC's human resource principles is to create an environment in which both ministry and personal objectives may be accomplished. To this end, MTC recognizes that people want to participate in the process, and they want to feel that they are making a contribution. Staff who are given challenging work and an opportunity to become involved will achieve greater productivity with increased job satisfaction as an added benefit.

It is incumbent on managers at all levels to develop a sense of confidence between themselves and their staff by delegating authority commensurate with assigned responsibility and by encouraging and reinforcing staff for work well done. A spirit of teamwork and cooperation should be fostered along with an atmosphere of honesty and openness, and a sensitivity to the varied cultures and lifestyles of MTC staff.

Managers must also recognize that people are a key provincial resource and that development of their staff is beneficial to the individual, to MTC, and to the Ontario government.

MTC employees have to recognize that they must be innovative and take personal initiative to achieve self-development and improvement. There will continue to be heavy demands on financial resources and MTC will continue to move from a technical to a management-oriented organization. These pressures require people to be flexible in their job and career expectations. For example, lateral moves provide an opportunity to acquire and apply broader knowledge and new skills, important assets in the MTC of today and tomorrow.

MTC CORPORATE COMMITTEE STRUCTURE



Management Structure

In 1975, MTC adopted a matrix management system involving a program and committee structure which cuts horizontally across the line organization. This flexible matrix arrangement provides for strong corporate leadership, coordinated policy development in resources management and program planning, and effective delivery of products and services through the line organization.

STRATEGIC POLICY COMMITTEE (SPC)

This is MTC's principal corporate committee with overall responsibility for policy planning and establishing strategic directions. SPC gives policy advice to the Minister and government with respect to MTC's overall mandate, makes corporate decisions, and carries out strategic planning for the achievement of ministry objectives. Membership includes the Minister, his Parliamentary Assistant, the Deputy Minister, and eight senior executives.

Five program committees, a resources management committee (RMC), and an operations committee are sub-committees of SPC (see chart on opposite page). They are responsible to SPC for the effective management of the programs and of the resources which are available to the ministry.

PROGRAM COMMITTEES

The program committees provide a link between corporate objectives and directions, and operational planning. Each program committee is chaired by a member of SPC with membership including executives from other areas of the ministry to facilitate coordination and provide a broad corporate perspective for planning activities.

Each committee has received corporate direction from the strategic policy committee in the following mission statements:

Provincial Highways Program

To provide and maintain a provincial highway system which will satisfy the mobility, economic, energy conservation, social and institutional needs of the people of Ontario and promote the objectives of government.

Transportation Regulation Program

To influence, through regulation and education, the qualifications and performance of the users of the highway transportation system and services in a manner which will enhance highway safety, the mobility of goods, the mobility of people, and support the prevailing objectives of the ministry and the Ontario government.

Communications Program

To promote the interests of Ontario users of communications systems and services, facilitate the mobility of information and contribute to the strength of the communications networks in Ontario in order to further the economic and social well-being of the people of Ontario.

Provincial Transportation Program

To promote and coordinate the interurban mobility of people and goods by the integrated use of all transportation modes operating and serving in Ontario and to points beyond the province.

Municipal Transportation Program

To provide for the mobility of people and goods at the local, regional and inter-regional levels through coordination and support of the transportation infrastructure and services supplied by local and provincial authorities.

RESOURCES MANAGEMENT COMMITTEE (RMC)

This committee is chaired by the ADM, Finance and Administration, and includes all members of SPC except the Minister, his Parliamentary Assistant, and the Deputy Minister. It also includes MTC directors responsible for human resources, financial planning, and management improvement. RMC has the basic responsibility to ensure the effective and efficient utilization of the human, financial and technological resources entrusted to the ministry in order to fulfill its mandate. RMC has human resources, technology advisory, and finance sub-committees.

OPERATIONS COMMITTEE

The operations committee, which includes the five Regional Directors, is responsible for identifying and resolving issues related to all aspects of regional operations. This committee facilitates strong functional control of ministry programs and activities and ensures province-wide consistency in the application of ministry policies. It also provides a mechanism to transmit program directions for delivery operations, coordinate regional activities and head office functions, and encourage the exchange of ideas and experiences among ministry staff.

THE LINE ORGANIZATION

A chart showing MTC's formal line organization is included in the back cover pocket of this document. Head office is responsible for policy and program development and control, while the responsibility for delivery of MTC's products and services rests with five regional offices and their related districts. The regional directors also represent the ministry within their geographic areas.

A fundamental principle of ministry management is the decentralization of program delivery to the regions, with regional directors responsible to the appropriate head office program manager for the delivery of each program in their area. This continues to be the most feasible method for satisfying the transportation and communications requirements of Ontario residents.

Strategic Planning Process

MTC operates in an environment characterized by an accelerating rate of change in all areas including the economy, technology and social values. Successful management of change requires MTC to anticipate important long-term issues, assess potential impacts, and develop appropriate strategies to respond.

The chart on the next page shows MTC's formal strategic planning process which is coordinated by the ministry's strategic policy secretariat (SPS). This process provides for systematic and continuous reconsideration of MTC's programs and future direction. The process is also intended to develop a common sense of mission and direction internally and to provide the most complete information for decision-making at all levels.

The timing and length of MTC's planning process has been designed to accommodate the needs of the government's financial allocation process. The first year of the long range plans is MTC's input into the allocation process which involves continuous negotiation with central agencies until MTC long range and annual plans are matched with available resources.

OUTLOOKS

The outlooks office monitors social, economic, political, and technological developments in the external environment to identify emerging issues and future directions in government, the private sector and society in general. Presentations are made throughout the year primarily to SPC and, in addition, the outlooks office organizes meetings and conferences during the year to provide members of the strategic policy committee with a broad range of external perspectives on key public policy issues.

Each program also conducts outlooks sessions for their specific area of interest and invites participation from client industries, other government agencies, academics and representatives of the public.

POSITION AND PROSPECTS (P&P)

Each program committee prepares a P&P document to provide an assessment of program activities, a status report, identification of major issues and alternatives for strategic responses.

In addition to outlooks, other inputs to the P&P include a review of the program mission and objectives; consideration of issues and strategies from the previous planning cycle; and direct feedback from subprograms and the regional delivery organization.

The assessment component of the program P&P is based on the Management-By-Results (MBR) approach adopted by the provincial government for all ministries. This approach to evaluation focusses on results and helps to ensure accountability at all levels within the organization. MBR is used for the performance measurement of delivery functions as well as the higher level assessment of program effectiveness.

THINK-IN AND STRATEGIC DIRECTIONS

SPC conducts a strategy think-in to determine and prioritize corporate issues and strategic directions. This session is also used to approve specific strategies for the five programs and the resources management committee.

MTC STRATEGIC PLANNING PROCESS

SEASON	STEP	PARTICIPANTS/PURPOSE
FALL	OUTLOOKS	THE PROCESS BEGINS WITH AN ASSESSMENT OF EXTERNAL DEVELOPMENTS AND EMERGING ISSUES IN GOVERNMENT, THE PRIVATE SECTOR AND SOCIETY.
FALL	POSITION AND PROSPECTS	MTC'S FIVE PROGRAMS, PLUS RMC, ASSESS THEIR EFFECTIVENESS, EVALUATE IMPACT OF THE EXTERNAL ENVIRONMENT AND IDENTIFY KEY ISSUES AND STRATEGIES.
WINTER	STRATEGY THINK-IN	THE STRATEGIC POLICY COMMITTEE MEETS: 1. TO APPROVE STRATEGIES FOR EACH PROGRAM AND RMC; AND 2. TO DETERMINE THE KEY CORPORATE-WIDE ISSUES AND STRATEGIC DIRECTIONS FOR MTC.
WINTER	STRATEGIC DIRECTIONS	THE RESULTS OF THE STRATEGY THINK-IN ARE PUBLISHED IN THIS DOCUMENT.
SPRING	LONG RANGE PLANS (FIVE YEARS)	EACH PROGRAM MODIFIES ITS EXISTING LONG RANGE PLAN TO ACCOMMODATE THE NEW CORPORATE/ PROGRAM ISSUES AND STRATEGIES.
SUMMER TO SPRING	OPERATIONAL PLANS	LINE MANAGERS DEVELOP OPERATIONAL AND ANNUAL PLANS.

Input for the strategy think-in is provided by the outlooks summary, the P&Ps and other external information summarized by the strategic policy secretariat. Outputs from the think-in session include a brief decisions/directions package developed for the program committees and this document.

PROGRAM LONG RANGE PLAN (LRP)

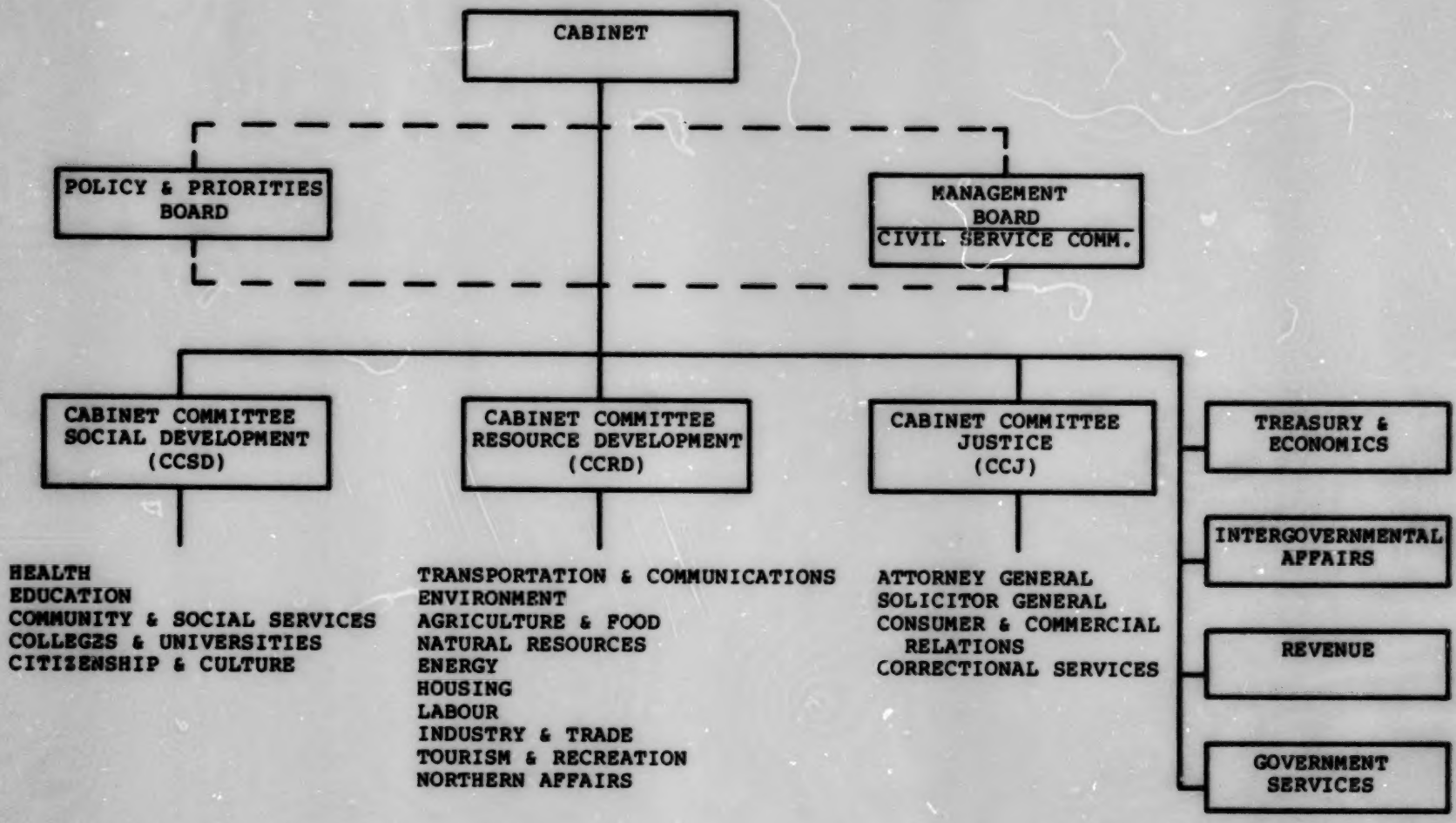
After receiving corporate direction from the strategy think-in, each program committee updates its LRP. The LRP usually covers a five-year period and includes approved strategies, expected results, and assessment criteria for program objectives. Details are also provided on how to implement strategies, especially new initiatives.

A program long range plan should include sub-plans for human resources (number and type of staff, skill levels, training requirements) and technical resources (facilities, new technologies). These sub-plans are under development by each program and will be reviewed by the resources management committee.

OPERATIONAL AND ANNUAL PLANS

From the updated LRP, line managers proceed to develop short range operational and annual plans for delivery activities. These plans contain specific implementation details and resource requirements. Clear statements of expected results and performance indicators for products and services are also included.

POLICY DEVELOPMENT PROCESS



Government Policy Development

As discussed earlier, the strategic policy committee (SPC) is MTC's senior corporate committee with overall responsibility for policy planning. Once a policy submission has been approved by SPC, it is often also necessary to obtain Cabinet approval. Cabinet approval is required for new services, extension or reduction of existing services, or for policy changes that would have government-wide implications.

Before a policy submission is presented to Cabinet, it must first be reviewed by at least one of the policy field Cabinet committees. As shown on the chart opposite, MTC is in the resources policy field and, therefore, submits policy proposals through CCRD. In addition, if a policy proposal has wider implications, it will also be submitted to other policy field Cabinet committees. For example, proposals dealing with transportation for the physically disabled would be submitted to CCSD. Similarly, a proposal to include photos on drivers' licences would also be submitted to CCJ because of the judicial implications.

Management Board is the agent of cabinet responsible for ensuring that the government's programs are managed appropriately. A separate Management Board submission is often required to allow the board to comment on financial and administrative implications. In these cases, when the policy proposal is submitted for Cabinet approval, it is accompanied by recommendations from both Management Board and the appropriate policy field Cabinet committee.

Policy and Priorities (P&P) Board, chaired by the premier, is responsible for coordination of the government's financial allocation process and for making preliminary and final recommendations on policy field and ministry allocations. Among its other responsibilities, P&P Board also deals with issues that cross policy fields, with policy issues brought forward by ministries that do not have a policy field, and with issues referred to it by Cabinet or another policy field. For example, Management Board may request policy clarification in order to assist in determining appropriate funding.

The Ministries of Treasury and Economics, Intergovernmental Affairs, Revenue and Government Services are not part of a policy field because their policies, programs and activities impact upon all ministries. The ministers responsible for these ministries are members of either P&P Board or Management Board which affords an opportunity for their contribution to policy formulation.

The Ministry of Treasury and Economics occupies a special place in the government structure because of its particular responsibility for establishing the fiscal framework for government activities. It should be noted that, as part of its responsibilities, Treasury and Economics staff works closely with the Management Board Secretariat in the annual resource allocation process.

Finally, coordination of policy and program activities in specific areas is often the responsibility of Cabinet coordinating committees, which involve ministers whose responsibilities touch upon a specific area or client group. Examples of such special Cabinet coordinating committees are legislation committee, regulation committee, native affairs, federal/provincial relations, BILD, and the bicentennial committee.

PART II

THE DIRECTIONS 1984

Introduction

As in previous years, the 1983/84 strategic planning process, to identify trends, outlooks, issues and strategies of both program and corporate concern, confirmed the relevance of many topics from previous years. This result is not surprising. The annual process is essential, however, to confirm the direction of previous years, and thus to avoid surprises in the future.

What is new this year is the identification of a small number of themes of priority to the ministry. These themes, selected from a large number considered in the development of the strategic directions, are:

- **Economic Growth**
- **The Infrastructure**
- **Social Change**
- **Communicating with MTC's Publics**
- **Safety**
- **Management of Ministry Resources**

For each theme, a general section on trends and outlooks is presented to provide background to the strategic directions. A reconciliation with strategic directions from last year is included in the appendix.

Another change in the document this year is the removal of the five-year time horizon of the directions. This is desirable to more truly reflect the ongoing nature of the strategic planning process and it does not imply that the ministry is adopting a yearly planning horizon. Strategic directions are intended to set the long-term priorities of the ministry. Each year, these priorities are reviewed and confirmed or revised as necessary, and programs are directed to implement these directions within an appropriate time frame. This may be within one year or beyond the traditional five-year planning period, depending on the nature of each strategic direction.

Economic Growth

TRENDS AND OUTLOOKS

Ontario is continuing to experience a major transformation from a goods producing to an information-based economy. Dramatic changes are occurring in traditional patterns of employment, skills, investment and industry.

The economy is experiencing slow but steady growth with Ontario continuing to lead the national economic recovery. Inflation is expected to remain moderate and fairly stable over the next few years, while interest rates and unemployment will remain high.

International trade is essential to the economic well-being of Canada and Ontario. In the last decade, however, Canada's share of world trade has dropped significantly.

The ministry can play a vital role in stimulating international trade. Recent examples include the major contracts won by UTDC and Saudi Arabia's interest in the ministry's transportation research, planning and management expertise. Significant trade opportunities are opening up in the Pacific Rim and Ontario is taking advantage of Expo 86 in Vancouver to display its transportation expertise to the world.

In 1983, the automobile industry experienced a significant upturn, enjoying a boom year with record level employment, at the same time as switching to greater use of automated assembly. Structural changes are also taking place in this industry, particularly in the parts manufacturing sector. Automobile manufacturers are confident of long-term demand. There is, however, some uncertainty regarding the long-term strength of the automobile industry in Ontario due to strong competition. Size and other characteristics of the automobile are changing with a long-term tendency towards smaller vehicles with a reduced steel component.

Tourism is another important industry to the Ontario economy which has been experiencing uncertain trends in different areas of the province. The long-term outlook for tourism in Ontario continues to be good.

There is continued strength in the communications area, particularly in information intensive industries. Manufacturing of communications equipment is important, but the greatest growth potential is in software and information processing. The public is particularly sensitive to the rapid expansion of new computer-based technology which is already having major impacts at work, home, school and on leisure time activities.

There are a number of different outlooks for energy supply and price in Ontario. Although the momentum for conservation on the part of the public has decreased, conservation and substitution efforts of the government are continuing in order to reduce Ontario's dependency on imported oil.

STRATEGIC DIRECTIONS

The sustained recovery of the economy is essential to the well-being of all Ontario residents. MTC strategies are therefore supportive of economic development. In fact, strategies in this area are of the highest priority.

Foreign Trade

The ministry enjoys an international reputation in the fields of transportation research and development, planning, and management. Building on this reputation, MTC can assist in providing a link between Ontario and foreign governments to help private corporations in Ontario to develop trade with other countries.

The ministry will:

- **Review existing programs and procedures within the federal and provincial governments which are available for the ministry's use in support of foreign trade initiatives;**
- **Identify foreign trade opportunities in all program areas; and,**
- **Continue support of the activities of UTDC and the export potential of transit technology.**

Industry Support

The transportation system, and the regulations which govern its use, provide significant support to the economy. The efficient movement of goods by truck, rail or other modes is essential to manufacturing industries, just as the efficient movement of people is essential to the tourist industry. It is necessary, therefore, that ministry policies recognize and support the needs of industry.

The ministry will:

- **Investigate priorities and methods of obtaining the most productive results from ministry activities related to goods distribution;**
- **Examine the MTC organization with respect to the movement of goods and people;**
- **Implement truck regulatory reform, considering the Uffen Commission report and dangerous goods movement; and,**
- **Ensure that policies and programs are supportive of tourism in Ontario.**

Technology

Recent advances in technology have a very high potential for stimulating economic growth. The ministry is regarded as a leader in transportation and communications expertise, and can therefore provide information and support to industry in emerging technologies. In addition, the productivity of the ministry itself can be improved through the introduction of new technology. This must not result, however, in a lowering of the level of service to the public. In the field of communications, technology is advancing rapidly. It is essential that Ontario put forward positions to support and stimulate this key growth area. One method is to ensure that the industry is not stifled by over regulation. The public's concern with the introduction of new technology must also be recognized and addressed, including issues such as privacy, freedom of information, availability of service, and cost.

The ministry will:

- **Ensure that ministry staff are able to serve as spokespersons for technology related to transportation and communications;**
- **Advocate provincial government sensitivity to the social**

impacts of information technology; ensure that all staff are sensitive to the needs of the public; and take a lead role with respect to the privacy issue;

- *Continue to promote freedom of choice, competition and streamlined regulations which encourage technological development, in the broadcasting and telecommunications fields;*

- *Continue to support a national approach to telecommunications while being sensitive to the Canada/U.S. context;*

- *Promote the potential of Canadian satellite technology to best serve the interests of business users and the public; and,*

- *Support the service sector of the economy through the application of telecommunications technology.*

Energy

Faced with rapidly increasing energy prices, the Transportation Energy Management Program (TEMP) was initiated several years ago. It now focusses on two areas, technology development and promotion for alternative fuels and energy conservation. The program's objectives are still of priority to this ministry, but it is not necessary to revise the direction of these activities at this time.

The ministry will:

- *Continue with the current policies and programs with respect to energy.*

The Infrastructure

TRENDS AND OUTLOOKS

There is a considerable transportation and communications infrastructure in place in the province. In addition to the investments in the provincial highway system, there have been major investments in municipal road and transit systems and investment by all levels of government in air, rail, marine, and communications facilities. In addition to these "hard services", there are also major information systems in place, including the driver and vehicle systems, and the accident data base. These facilities have been developed at considerable capital cost and must be adequately maintained and adapted to the requirements of today and tomorrow. There is also a considerable investment in research and development activities.

The priority for provincial roads funding has been and must continue to be placed on the maintenance and protection of the infrastructure. This means that it has not always been possible to address congestion and capacity problems that exist in parts of the province because of constraints. These needs are placing a heavier load on provincial roads funding.

STRATEGIC DIRECTIONS

The ministry will continue its policy of placing a first priority of available funds on the maintenance and rehabilitation of capital assets, including the maintenance of established computer-based information systems.

Provincial Highways

The highway system in Ontario is widely recognized as one of the best, if not the best, in North America. It is important that this system be protected to avoid significant deterioration resulting in unplanned high repair costs in the future, as has happened in some U.S. jurisdictions.

The ministry will:

- **Ensure that the planning process defines clearly, and in a supportable manner, system rehabilitation needs;**
- **Ensure the identification of appropriate cost effective solutions to rehabilitation needs;**
- **Develop methods of evaluating needs and setting priorities to allocate funds and to carry out in-year management of resources; and,**
- **Identify privatization opportunities and continually evaluate privatization activities in order to address any potential ministry vulnerability in providing adequate service.**

Municipal Transportation

The ministry also places priority on protecting the considerable investment in municipal road and transit systems in Ontario. It is expected that the overall demand for provincial subsidy, for both maintenance and expansion, will continue to exceed available resources. It is important, therefore, to establish expenditure priorities for all levels of government.

The ministry will:

- **Continue to assess the impact of a reduced level of funding on municipal road systems;**

- *Develop the concept of using a base level of funding for municipal transportation with special funding for new initiatives;*

- *Develop, in cooperation with Metro Toronto, a rational transportation improvement program, in particular, for the Toronto waterfront;*

- *Work with municipal and provincial agencies to define a consensus on a rational program for system development for other urban areas;*

- *Encourage all municipalities to prioritize their transportation plans;*

- *Maintain present operating support for municipal transit systems and continue efforts to enhance program effectiveness;*

- *Continue to define the desirable role for the federal government to play with respect to urban transportation systems; and,*

- *Continue representation to the federal government over recognition of commuter use of rail rights-of-way.*

Provincial Transportation

Intermodal connections are one area of concern with respect to transportation infrastructure. The ministry has long considered that significant improvements can be made in the connections between bus and rail passenger modes. There are also on-going concerns regarding the continued viability of inter-city bus service, particularly in rural areas, and regarding the role of the automobile.

The ministry will:

- *Continue to encourage intermodal connections and demonstrations linking VIA Rail and the bus companies; and,*

- *Continue its studies of inter-city bus transportation and the automobile.*

Social Change

TRENDS AND OUTLOOKS

The population growth rate of Ontario remains low, however, there is continued growth in the greater Toronto area.

The average age of the Ontario population is gradually increasing. The age profile has a significant "bulge" as the baby boom generation, i.e. those born between 1951 and 1966, gradually ages. This "Big Generation", now aged 18 to 33, is in the household formation stage and impacting the job market and the current high unemployment situation.

In the future, the impact of this generation will be felt in a variety of ways with changing demands for public and private goods and services. In the short-term, their impact will be most strongly felt in the workplace and through lifestyle changes. The current boom in recreation activities and purchase patterns is associated with this population group, for example.

There will be a major impact when the baby boom reaches retirement age beyond the turn of the century. This group will begin to reach age 65 in the year 2016 and there will be significantly increased demands for government funds to maintain pension plans, health services, housing, transportation services and other services for the elderly. Related to this, the proportion of disabled in the total population is expected to increase. These changes are predictable and must be considered in all long range planning.

In addition, there are also changes taking place in social attitudes and behaviour. Individualism is increasing, and people expect personal attention and service from government. There is a noticeable increase in the number and profile of special interest groups and increasing demand for public participation in government decision-making. Within an environment of increasing openness and accountability, governments are facing inconsistent public pressures for reduced government size, expenditures and deficits, at the same time as continuing demand for increased services, particularly in the social fields.

People are adopting a philosophy of life-long learning with increasing attention to the quality of leisure time activities and personal interests outside the workplace. These changes manifest themselves in a staff less motivated by dollars than by quality of working life.

STRATEGIC DIRECTIONS

Social change is taking place over a long time period, providing an opportunity for the ministry to plan ahead to ensure that policies and programs are appropriate to Ontario's future needs. Among the items that should be reviewed, not just as the result of social change, but also as a consequence of expected on-going pressure on ministry funding, is the ministry's objective of ensuring reasonable choice and competition between modes.

The ministry will:

- **Examine the relationship between social change and MTC policies and programs; and,**
- **Develop a statement of objectives and policies related to choice and accessibility among alternative modes of transportation and communications.**

Communicating With MTC's Publics

TRENDS AND OUTLOOKS

MTC is noted for having a strong client-orientation with strong ties to a number of organizations. These close relationships must be maintained in order to ensure that ministry programs and activities adequately reflect the interests, take into account the positions, and meet the needs of the transportation and communications community in Ontario.

The general public is not fully aware of the many programs and activities of the ministry, their quality and excellence and their important contribution to the economic and social health of the province. The public establishes the spending priorities of government through the political process. With pressure on government to increase levels of service in some areas such as health and education, at the same time as reducing overall expenditure, it is increasingly important that the significance of MTC's activities are recognized by the public. The public places a low priority on increased transportation and communications expenditure because the ministry has maintained a high level of service in the past. At the same time, the public expects this high service level to be maintained. It is therefore necessary to maintain transportation and communications as a priority item on the government agenda.

In addition to informing the public on the importance of transportation and communications programs to the province, there should be continued emphasis on two-way communications. These are necessary to ensure that ministry programs continue to be sensitive to public needs and priorities.

The ministry must also continue liaison with other governments that are involved in transportation and communications related activities, and other Ontario ministries and central agencies. MTC has several activities directed at influencing federal government policies and programs in air, rail, marine and communications modes. Other federal activities also have implications to the ministry and it is, therefore, important to continue to monitor these activities. There are also many activities underway in the United States, for example deregulation, which have both a direct and indirect effect on transportation and communications in Ontario. Within the Ontario government, it is important to maintain strong ties with central agencies, particularly the Ministry of Treasury and Economics and Management Board because of their overall importance to the process of government in Ontario. The ministry continues to liaise closely with other ministries on specific matters, including Industry and Trade, Environment, Attorney General, Solicitor General, Northern Affairs and others.

STRATEGIC DIRECTIONS

The ministry will improve communications in two areas: the general public, including particular client groups, and other organizations.

The General Public and Client Groups

There are a number of benefits to improving communications with the general public and specific client groups. A marketing philosophy will ensure that programs remain relevant to the needs of the public and that the public is aware of the many high quality products and services provided by the ministry and its important contribution to the continued economic and social well-being of Ontario.

The ministry will:

- ***Establish a task force to examine the concept of marketing the ministry and better communicating ministry policies, programs and activities to its various publics;***

- ***Develop the knowledge and expertise necessary to communicate the long-term economic and social contribution of this ministry's programs to Ontario; and,***

- ***Continue to emphasize the importance of service to the public by being well managed, effective and efficient in dealing with all ministry publics.***

Other Government Organizations

The importance of close relationships with other ministries, the federal government, and U.S. jurisdictions has been noted for a number of years. These ties must be maintained and improved. In particular, the ministry has improved its monitoring of U.S. events, and these efforts should increase the capability to influence U.S. policy or react as required. At the same time, however, staff must be aware of the sensitivity and importance of maintaining good Canada/U.S. relations.

The ministry will:

- ***Continue to improve inter-ministry relations and establish stronger liaison with other ministries and central agencies;***

- ***Continue to aggressively put forward Ontario's position in dealing with federal departments and agencies; and,***

- ***Increase efforts to monitor U.S. events that may have potential implications for transportation and communications in Ontario, and take a proactive stance, where appropriate, to attempt to influence U.S. policy making.***

Safety

TRENDS AND OUTLOOKS

The safety of the travelling public is one of the ministry's highest priorities. In highway travel, the government has assigned the role of Ontario Highway Safety Coordinator to the ADM, Safety and Regulation. MTC has a mandate to work towards improved safety on the highways, but it also has a responsibility with respect to safety of other modes.

The ministry provides support to safety on the highways in a number of different ways. The highway accident data base provides information to the ministry, the police, and others. Staff use the data base to identify safety improvements to the highway system and research the cause of accidents. Based on research to date, it is felt that the highest payback areas to improve highway safety are those dealing with driver motivation and attitude.

Since 1981, there has been a significant decrease in the number of fatalities on Ontario highways. This is consistent with a long-term trend in the number of accidents across North America and there is no reason to expect that the accident rate will increase. Given the many factors contributing to accident rates, however, including kilometres travelled, weather conditions, vehicle conditions, and driver error, it is not certain that this decrease will necessarily continue in any one year and for any particular user group.

One area of major concern continues to be drinking and driving. Within the Ontario Government, the Ministry of the Attorney General is taking a lead role in addressing this issue, with cooperation and support from this ministry and others.

The movement of dangerous goods, particularly through urban areas, is a public concern, as is emergency measures planning, including the need to evacuate large numbers of people in the event of a major fire, nuclear accident or spill of dangerous materials. All levels of government and many other organizations are concerned with these safety issues. The ministry has a major role to play through its control of many of the basic transportation systems.

STRATEGIC DIRECTIONS

The ministry must continually evaluate its priorities with respect to safety in order to provide the most effective support with limited resources.

The ministry will:

- **Establish better internal coordination for highway safety, in particular with respect to the many applications of the accident data base;**
- **Continue to place priority attention on driver control and improvement activities as a means to improve highway safety;**
- **Continue to support the Attorney General in the field of drinking and driving; and,**
- **Clarify and define the responsibilities within the ministry with respect to emergency planning coordination.**

Management of Ministry Resources

TRENDS AND OUTLOOKS

MTC is in transition from a large, stable, delivery-oriented organization to a lean, flexible, organization capable of delivering multiple products and services with respect to transportation and communications.

There are three important resources available to the ministry to carry out its activities: financial, human, and technological. Information and information systems are considered as part of the technological resource base. The ministry has strengths in all of these areas: a large, well-trained workforce, a $1.5 billion budget, and significant technological resources.

There will be continued pressure on the ministry's level of funding due to the growth of programs in other areas, in particular, social services.

MTC has a strong human resource base, not just in numbers, but also in terms of the quality and expertise of its staff. It is expected that the long-term trend of decline from approximately 11,000 employees in 1976 to about 9,000 employees in 1984 will continue. This will happen not only as the result of financial constraints, but due to improved productivity and a change in the nature of ministry activities from one of predominantly "doing" to one of also influencing and supporting others.

New technology is developing rapidly and there is significant potential to adopt this technology within MTC to improve and support ministry programs and activities. At present, there is no master plan for the introduction of technology within the ministry and there is some concern regarding how the significant potential benefits will be captured and at what cost.

STRATEGIC DIRECTIONS

In the past several years, the ministry has successfully met the challenge of "doing more with less", sometimes in very imaginative ways. This philosophy must continue, not only to improve the productivity of existing programs and services, but also to free resources to be applied to new activities.

It is essential for MTC to ensure that the high level of organizational competence it has achieved is maintained. One way that this will be achieved is by preserving a strong core of expertise and encouraging the continued development and training of staff. Management information is also an important strategic resource to support improved organizational efficiency and effectiveness. The careful introduction of new technology will also support the continued strength of the organization.

An important task is to remove the many uncertainties while continuing to manage the long-term transition of the ministry. In particular, the ministry must deal with staffing imbalances through a policy of relocation, where possible, and lay-off, where necessary.

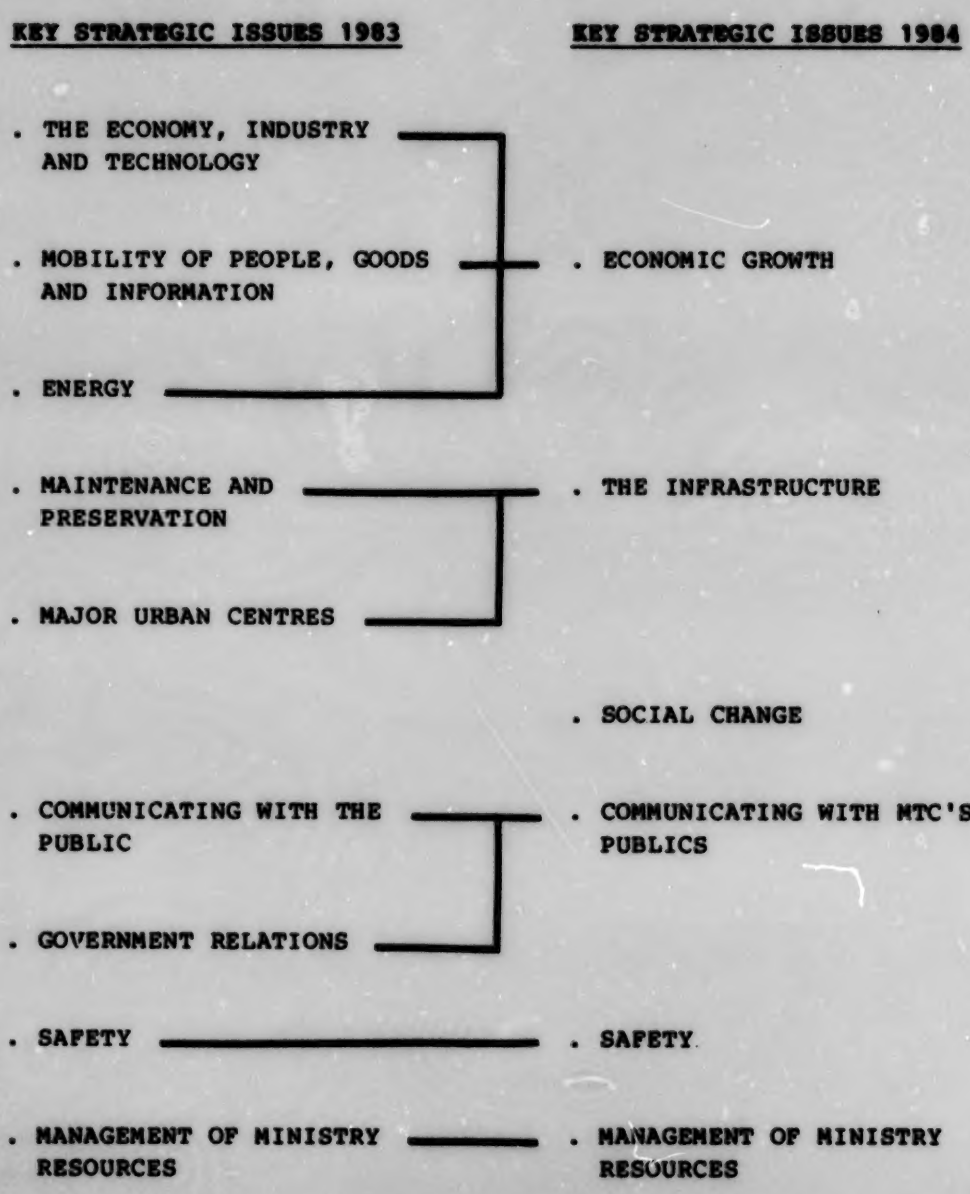
The ministry will:

- ***Articulate a set of principles, including an emphasis on relocation, for dealing with the current staffing imbalances within the ministry;***
- ***Continue to develop and improve the quality of management information; and,***
- ***Continue to develop a comprehensive strategy to plan for the introduction of new computer/communications technology.***

APPENDIX

RECONCILIATION WITH "STRATEGIC MANAGEMENT AT MTC 1984-89"

RECONCILIATION WITH "STRATEGIC MANAGEMENT AT MTC 1984-89"



Appendix

This appendix identifies major content changes in the 1984 Strategic Directions document relative to last year.

First, as stated in the introduction to part II, this document is now identified by the year in which it is produced to more accurately reflect the variable time horizon for implementation of the directions. It is not meant to imply a one-year planning framework for the ministry.

MANAGEMENT PHILOSOPHY AND PROCESS

The ministry's mandate, mission and objectives have been reviewed.

The objectives have been reduced in number by placing two objectives, which are primarily related to process, in a section of ministry principles.

A new section has been added to explain the Ontario government policy development process.

STRATEGIC DIRECTIONS 1984

The chart on the opposite page shows how this year's key strategic issues compare with last year. The major change is the reduction in the number of separate themes to highlight a smaller number of priority issues to the ministry. The majority of themes from last year are included in this year's directions, as might be expected.

Social change, identified in the introduction last year, has been introduced as a priority issue this year as it will lead to significant changes in ministry policies and programs in the future. The infrastructure is a new theme placing priority on transportation and communications capital assets and combining elements from the major urban centre, mobility and maintenance and preservation themes of last year. Government relations remain important as part of the ministry's communications with all of its publics. Energy, although it remains an important government activity, has been included with economic growth. Safety and management of ministry resources remain largely unchanged from last year.

Ministry of Transportation and Communications

Ontario

HAROLD GILBERT, DEPUTY MINISTER
REVISED MARCH 1984